

## Message Text

CONFIDENTIAL

PAGE 01 STATE 213344

14

ORIGIN ARA-03

INFO OCT-01 ISO-00 SIG-01 /005 R

66011

DRAFTED BY SMOSKOWITZ

APPROVED BY ARA/PPC:MRBARNEBEY

----- 024221

R 271717Z AUG 76

FM SECSTATE WASHDC

TO ALL AMERICAN REPUBLIC DIPLOMATIC POSTS

USCINCSO

C O N F I D E N T I A L STATE 213344

FOLLOWING REPEAT COLOMBO 3160 ACTION SECSTATE INFO NAC COLLECTIVE  
OECD PARIS 22 AUG QUOTE

C O N F I D E N T I A L COLOMBO 3160

E.O. 11652:GDS

TAGS: EGEN, PFOR

SUBJECT: MULTILATERAL AFFAIRS: ECONOMIC ISSUES AT THE NON-ALIGNED  
SUMMIT

REF: COLOMBO 3123

1. INTRODUCTION: WHILE FOREIGN MINISTERS AND HEADS OF STATE  
CONTENDED OVER BILATERAL AND REGIONAL ISSUES  
IN OTHER ROOMS, ECONOMIC SPECIALISTS ON NAC DELEGATIONS  
PLODDED ACROSS THE BROAD TERRAIN OF INTERNATIONAL  
ECONOMIC ISSUES WITH FEW FIREWORKS BUT SOME SERIOUS  
CONCERNS. THE CONFERENCE WAS NOT THE SITE FOR A MAJOR  
RETHINKING OF ECONOMIC PROBLEMS AND WITH THE EXCEPTION  
OF SRI LANKA'S TWO INITIATIVES, SAW NO NEW IDEAS  
EMERGE. BUT THE ECONOMIC DELEGATES HAD LITTLE TIME TO  
ENJOY COLOMBO. THEY ENGAGED IN A JAMOR REVISION OF THE  
DRAFT TEXTS, INCLUDING CONSIDERABLE TRIMMING BACK OF  
VERBIAGE. THE RESULTING DOCUMENTS WERE RELATIVELY  
PRAGMATIC IN TONE, FOCUSED ON THE CONCRETE AND --  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 213344

WITHIN NON-ALIGNED TERMS--THE PRACTICAL. AS ONE

POLITICAL DELEGATE SAID CONTRASTING THE WORK OF THE POLITICAL AND ECONOMIC HALVES OF THE CONFERENCE, THE LATTER HAD TO STICK TO THE REAL WORLD. FOLLOWING ANALYSIS BASED ON DISCUSSIONS WITH DELEGATES AND PRELIMINARY REVIEW OF TEXTS AS THEY ARE AVAILABLE TO US AT CONFERENCE CLOSING.

2. POLITICAL INTERESTS: ECONOMIC WORK FELT THE IMPACT OF TWO POLITICAL  
L  
IMPULSES. FIRST, LANGUAGE WAS INTRODUCED LINKING ECONOMIC DEVELOPMENT TO THE POLITICAL STRUGGLE AGAINST THE NON-ALIGNED ENEMIES OF "AGGRESSION, OCCUPATION RACISM," ETC. THIS PERCEPTION ALSO RESULTED IN A PARALLEL AMENDMENT TO THE POLITICAL DECLARATION INSERTING A NEW SECTION ON "POLITICS AND ECONOMICS." THE INCLINATION OF NAM TO SUBORDINATE ECONOMIC TO POLITICAL GOALS SERVES TO DISTINGUISH IT FROM GROUP OF 77.

3. SECOND POLITICAL ASPECT OF THE ECONOMIC COMMITTEE AND DRAFTING GROUP WORK WAS THE INTENSE FOCUS ON THE STATE OF NORTH-SOUTH DIALOGUE AND THE URGENT CALL FOR PROGRESS IN THE VARIOUS NEGOTIATING FORUMS. NEW LANGUAGE ON THIS SUBJECT WAS INTRODUCED IN BOTH THE ECONOMIC DECLARATION AS WELL AS IN THE ACTION PROGRAM AS A RESULT OF CONFERENCE DELIBERATIONS. CONFERENCE PARTICIPANTS REVEALED A CLEAR WILLINGNESS TO PURSUE THE DIALOGUE IN PARIS AND IN UNCTAD FORUMS. A DRAFT CUBA RESOLUTION CRITICAL OF CIEC AND CALLING FOR ITS TERMINATION BY DECEMBER 31ST WAS REJECTED. SIMILARLY, ORIGINAL PROPOSED LANGUAGE CONCERNING PWKIS HAD DESCRIBED THE CONFERENCE AS A "FAILURE"; THE FINAL TEXT "NOTES WITH ANXIETY THAT NO HEADWAY HAS BEEN MADE." THE TEXT ENDS WITH UNSPECIFIED THREAT THAT "THE TVBVELOPING COUNTRIES WOULD RECONSIDER THEIR ATTITUDES SHOULD THE PARIS CONFERENCE FAIL." PEREZ GUERRERO TOLD CANADIANS IN COLOMBO THAT HE CONSIDERED THE NAC RESULTS GAVE HIM MANDATE TO CONTINUE NEGOTIATIONS IN PARIS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03     STATE 213344

4. WHILE THE NON-ALIGNED WERE PREPARED TO MOVE ALONG THE CHANNELS WHICH HAVE BEEN FORGED, THEY HAD LITTLE FAITH THAT SIGNIFICANT PROGRESS WOULD BE MADE. DISCUSSING CONFERENCE WITH ECONOMIC COMMITTEE RAPPOREUR HOSNY (EGYPT) SUMMED UP MOOD OF NAC ECONOMIC TALKS IN THESE WORDS, "WE WERE LESS EMOTIONAL THAN AT ALGIERS, BUT MUCH MORE SERIOUS."

5. THEMES AND ISSUES: ADHERENCE TO THE NEW INTERNATIONAL ECONOMIC ORDER (NIEO) IS A RECURRING THEME OF THE CONFERENCE DOCUMENTS, LOOMING MUCH LARGER THAN IT HAD IN THE ORIGINAL TEXT. THE CONFERENCE PARTICIPANTS HAVE TAKEN THIS OCCASION TO REAFFIRM THEIR COMMITMENT TO THIS GLOBAL PROGRAM AND THEIR DETERMINATION TO MARCH UNDER ITS BANNER. MORE SPECIFICALLY, COMMODITIES ISSUES CONTINUE TO BE PRINCIPAL CONCERN. PRODUCERS ASSOCIATIONS HAVE BEEN ENCOURAGED, AND IN AN INTERESTING TEXTUAL DEVELOPMENT, THE WORD INDEXATION SAW THE LIGHT OF DAY IN THE FINAL TEXT IN PLACE OF AN EARLIER REFERENCE TO "INSURING FAIR AND REMUNERATIVE PRICES." THE NON-ALIGNED BUFFER STOCK COMMON FUND IS NOW EXPLICITLY DESCRIBED AS A FALLBACK IN CASE THE "UNCTAD COMMON FUND FAILS TO FIELD SATISFACTORY RESULTS BY MARCH 1977." THE PROBLEM OF LDC DEBT BURDEN WAS THE SECOND MOST PROMINENT TOPIC. THE ACTION PROGRAM CALLS FOR A MINISTERIAL CONFERENCE OF THE NON-ALIGNED AND "OTHER INTERESTED DEVELOPING COUNTRIES" IN THE FIRST HALF OF 1977 SHOULD THE PARIS TALKS FAIL TO REACH A SATISFACTORY CONCLUSION ON THIS SUBJECT.

6. TWO BROADER ISSUES OF AN ECONOMIC NATURE WERE ALSO TREATED AT LENGTH BY THE CONFERENCE. THE CONFERENCE REJECTED SRI LANKA'S EFFORT TO DESCRIBE THE ECONOMIC PROBLEMS OF THE DEVELOPING COUNTRIES AS RESULTING FROM THEIR INTERNAL CONDITIONS. THIS IDEA WAS ELIMINATED FROM THE FINAL TEXT AND REPLACED BY THE STANDARD THEME THAT UNDERDEVELOPMENT WAS THE CONSEQUENCE OF THE INTERNATIONAL ECONOMIC STRUCTURE.

CONFIDENTIAL

PAGE 04 STATE 213344

SECONDLY, THE ECONOMIC COMMITTEE/DRAFTING GROUP SURPRISINGLY SPENT HOURS DEBATING TURNS OF PHRASE WHICH TOUCHED ON THE RELATIONSHIP BETWEEN THE DEVELOPING COUNTRIES AND THE SOVIET UNION. THERE WAS A BROAD INCLINATION TO POINT THE FINGER AT THE SOVIET UNION AS WELL AS AT THE INDUSTRIALIZED WEST WITH REGARD TO AID FLOWS, TRADE BENEFITS, ETC. PROPONENTS OF SUCH TEXTS WERE COUNTERED BY ADHERENTS TO THE SOVIET LINE THAT ONLY THE WEST HAD OBLIGATIONS TO THE DEVELOPING COUNTRIES BECAUSE OF THEIR HISTORIC EXPLOITATIVE RELATIONSHIP. THE FINAL TEXTS IN SEVERAL PLACES REVEAL A CAREFUL DRAFTING EXERCISE AIMED AT INCLUDING THE SOVIET UNION WITHOUT EXPLICIT REFERENCE.

7. INTRA-LDC ISSUES (A) RELATIONS WITH G77:

AS WE HAD BEEN LED TO BELIEVE AS THE CONFERENCE  
OPENED, THE PARTICIPANTS IN THE NON-ALIGNED MOVEMENT  
SEE THEMSELVES EXCLUSIVELY AS A SUB-GROUP OF  
THE GROUP OF 77 ON ECONOMIC ISSUES. NEW LANGUAGE  
WAS INCORPORATED IN THE ECONOMIC DECLARATION MAKING  
THIS RELATIONSHIP EXPLICIT\* "THE NON-ALIGNED MOVEMENT  
SHALL CONTINUE TO MAINTAIN AND STRENGTHEN ITS  
SOLIDARITY WITH THE GROUP OF 77 WHICH AS TODAY  
EMERGED AS A REAL FORCE OF COUNTERVAILING AUTHORITY."  
(?) RELATIONS WITH OPEC: THERE WERE FEW SIGNS OF  
FRICTION WITH REGARD TO OPEC/NON-OPEC RELATIONS. WE NOTE  
THAT SEVERAL REFERENCES IN EARLIER DRAFTS  
WHERE THE DISTINCTION BETWEEN OIL AND NON-OIL  
DEVELOPING COUNTRIES WAS DRAWN HAVE BEEN ELIMINATED  
FROM THE FINAL TEXT. AT THE SAME TIME, NAM MEMBERS  
CONTINUED TO TURN TO OPEC TO FINANCE THEIR FAVORITE  
PROJECTS. THIS WAS RECOGNIZED TO BE THE ESSENCE  
OF THE SRI LANKA BANK PROPOSAL, AND MARRIED THE APPEALS  
FOR CONTRIBUTIONS TO THE SOLIDARITY FUND FOR  
SOUTHERN AFRICA AND FOR CAMBODIA, LAOS, AND VIETNAM. AS FAR  
AS WE CAN DETERMINE, HOWEVER, THE NON-ALIGNED SOLIDARITY FUND  
WAS OMITTED FROM THE FINAL DOCUMENTS. (C) THE LDC "SPECIAL  
CASES" WERE ACTIVE IN PURSUING THEIR PA-  
RTICULAR INTERESTS.  
THE LANDLOCKED WERE PARTICULARLY BUSY BUT THE "MOST  
SERIOUSLY AFFECTED" AND OTHER SUB-GROUPS WERE  
CONFIDENTIAL

CONFIDENTIAL

PAGE 05 STATE 213344

SUCCESSFUL IN GETTING DRAFT LANGUAGE TO RECOGNIZE  
THEIR SPECIAL PROBLEMS. MOST NOTEWORTHY, PERHAPS,  
WAS THE PROVISION THAT THE IMPLEMENTATION OF THE  
INTEGRATED PROGRAM OF COMMODITIES SHOULD "INSURE THAT  
THE INTEREST OF DEVELOPING COUNTRIES, PARTICULARLY  
THE LEAST DEVELOPED AND THE MOST SERIOUSLY AFFECTED  
AMONG THEM AND THOSE LACKING IN NATURAL RESOURCES,  
ADVERSELY AFFECTED BY MEASURES UNDER THE INTEGRATED PROGRAM,  
ARE PROTECTED BY MEANS OF  
APPROPRIATE, DIFFERENTIAL, AND REMEDIAL MEASURES WITHIN THE  
PROGRAM." (THE TORTUOUS LANGUAGE GIVES  
AMPLE DISPLAY OF THE INNER WRANGLINGS OF THE NAC'S  
ECONOMIC HALF.) REED  
UNQTE. KISSINGER

CONFIDENTIAL

NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NONALIGNED NATIONS, MEETING AGENDA, ECONOMIC CONDITIONS, SUMMIT MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 27 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** KelleyW0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE213344  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D760328-1021  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760811/aaaaajcy.tel  
**Line Count:** 215  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 COLOMBO 3123  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** KelleyW0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 APR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <21 APR 2004 by BoyleJA>; APPROVED <09 SEP 2004 by KelleyW0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MULTILATERAL AFFAIRS: ECONOMIC ISSUES AT THE NON-ALIGNED SUMMIT  
**TAGS:** EGEN, PFOR, OCON, CE  
**To:** ALL POSTS USCINCSO  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006